

R. J. REYNOLDS/SOUTHLAND 1996 CONTRACT AGREEMENT:

- CURRENT CONTRACT CONTINUES THROUGH DECEMBER 1996.
- RJR MAINTAINS TWO FULL PRICE DISPLAYS WRAPPED AT THE CASH REGISTER NEAREST THE FOOD SERVICE AREA.
- THERE SHOULD BE NO SAVINGS DISPLAYS, ADVERTISING, OR SAVINGS PROMOTION FOR ANY MANUFACTURER.
- DORAL and PREMIUM BUY ARE TO BE PRICED AT PARITY WITH PRICING TO BE COMMUNICATED VIA THE OVERHEAD PRICING PANEL IN ALL 7-ELEVEN DIVISIONS. RJR IS PAYING UP TO \$0.20 OFF PER PACK AS NEEDED TO ACCOMMODATE THIS PARITY PRICING. IF THE GAP IS GREATER THAN \$0.20, SOUTHLAND PAYS THE REMAINDER OF THE GAP BETWEEN DORAL AND PREMIUM BUY.
- RJR/7-ELEVEN CLOCK.

1996 MONTHLY CONTRACT PAYMENT:

- SELF-SERVICE WRAP DISPLAY
DESIGNATION: 1BASE2 7-11 MONTHLY RATE: \$250.00
- NON-SELF-SERVICE WRAP DISPLAY WITH PLEXIGLAS
DESIGNATION: PACKOUTLET NSL3C MONTHLY RATE: \$110.00

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RETAIL PARTNERS PROGRAM:

- SOUTHLAND WILL PARTICIPATE IN THE RETAIL ACCRUAL PROGRAM (BOTH COMPANY AND FRANCHISE STORES).
- 1996 ACCRUAL PROGRAM LEVEL 1. PLEASE ENTER DATA IN SIS AT ROU LEVEL.
- IN DETERMINING PARTNERS PROMOTION SKUs, CORPORATE VOLUME WILL BE UTILIZED. DIVISION WILL RECEIVE TWO (2) SKUs AS FOLLOWS:
 - DIVISION ACCRUING AT LEVEL 1 WILL RECEIVE TWO (2) FULL PRICE PARTNERS PROMOTIONS: ONE IN FEBRUARY, THE OTHER IN NOVEMBER.
 - DORAL PROMOTIONS, AS MENTIONED, WILL BE EXCLUDED.

WORKPLAN PROMOTIONS:

- SOUTHLAND CORPORATION HAS APPROVED OUR 1996 NATIONAL WORK PLAN PROGRAM.

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